

# A N N U A L R E P O R T

Montgomery County Government  
Department of General Services  
Office of Business Relations and Compliance

Local Small Business Reserve Program  
(LSBRP)

# FY 2013



## Message from the County Executive



Nearly 95% of Montgomery County's companies are considered small businesses. Combined, they are a strong and powerful engine that drives the Montgomery County economy. The vitality of our economy and the success of local businesses is a top priority of mine. In December 2008, I announced economic stimulus measures that included eleven action items to sustain and enhance the viability of the business community. The Local Small Business Reserve Program (LSBRP) is one of those measures that will help sustain economic growth well into the future. Under this program, Montgomery County Government's departments and agencies must commit to allocate 20% of their purchases of goods and services for the small business community. Passage of the Local Small Business Reserve Program was the result of cooperation between my office, the County Council and stakeholders in the business community. In FY13 we took further steps to strengthen the Program by removing a sunset provision from the original legislation, thereby establishing the program as an ongoing requirement in County contracting. It is gratifying that through collaboration such as this we take more step towards ensuring our economic security. Please take a few minutes to read the related information. If you are a business owner but not registered with Montgomery County please remember to register your business and allow us to share in your success .

## Message from the Director



I have long been impressed with strength and diversity of the Montgomery County local small business community. County businesses provide a wide array of goods and services to residents, businesses, and the public sector, including local government and the federal government. The Local Small Business Reserve Program exists to ensure that public tax dollars expended by the county government are reinvested into the local economy. Since its inception the Program has resulted in significant increases in the amount of contracting performed by the county government with local small businesses. In FY13, changes were made to ensure the Program remains a key tool in ensuring local business engagement in the business of the county government. The Department of General Services' Office of Business Relations and Compliance is dedicated to promoting the Program in order to achieve sustained growth in the amount of contracting between county government and local small businesses. Its ongoing efforts to build linkages between the business community and county departments are proving successful, resulting in an increasing realization of the County Executive's vision and economic strategy.

I am pleased to note that this FY13 Annual Report for the Local Small Business Reserve Program reflects sustained increases in the amount of County contract activity with local small businesses since Program's inception in FY09. I invite you to read this report and forward your comments and questions to the Office of Business Relations staff at [obrc@montgomerycountymd.gov](mailto:obrc@montgomerycountymd.gov)



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## Executive Summary

FY13 has been a productive year for the Local Small Business Reserve Program (LSBRP). The Bill's sunset date was repealed; the County spent almost \$100 million with local small businesses ; and new outreach initiatives were implemented such as the "Upcoming LSBRP opportunities" newsletters and series of open house events focusing on Certified Local and Minority Owned Business purchasing. Noting the success of these efforts, the Montgomery County Chamber of Commerce recognized the Department of General Services as the "2012 Public Sector Chamber Partner of the Year".

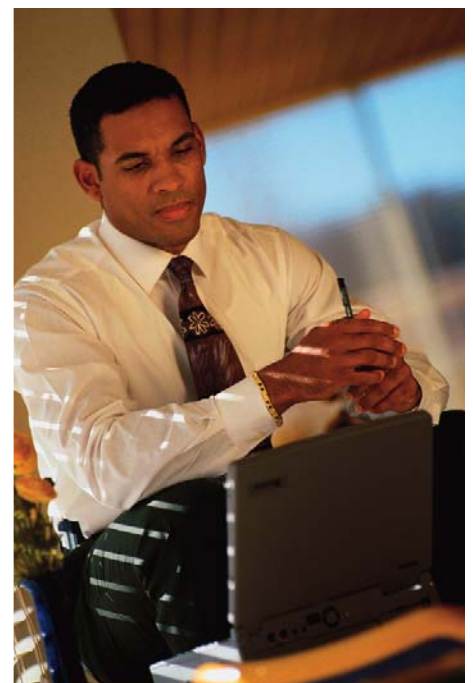
Procurement spending toward the LSBRP vendors has consistently increased over the past four years. Many contracts were awarded to LSBRP vendors in FY13. This includes contracts for custodial services, snow removal services, job order construction and maintenance services and other small construction projects. This increase suggests that county departments are gaining confidence in the program. Anecdotally, comments received from county staff indicate clear appreciation for the quality of goods and services provided by local businesses.

As with contract dollars spent, the percentage of contracts awarded each year has increased since Program inception. To illustrate, in FY10, 23% of eligible contracts , were awarded to local small businesses. In FY13 this increased to 38%, despite a decrease in the total dollar value of eligible contracts.

Further illustrating the success of the LSBRP, the amount of money spent in terms of encumbered purchase orders by the County to local small businesses has significantly increased from \$12.7 million in FY10 to \$97 million in FY13. These are public tax dollars being reinvested back into the local economy, fueling the business community with capital, stability, and employment strength.

Finally, more and more local small businesses are becoming aware of the program and showing interest in it. As of FY13, over 1,300 vendors certified as LSBRP vendors in the Central Vendor Registration System. This is attributed to proactive outreach and research by County staff to identify and recruit local businesses.

Montgomery County is home to an active and responsive local small business community. Nearly 95% of Montgomery County's companies are considered small businesses. Local small businesses employ local residents, provide good jobs with livable wages, and are a significant driver of the local economy. It is clear that local small businesses have benefited from the Local Small Business Reserve Program. The program provides fair competition among businesses to ensure the best value for the dollar spent on county contracts. In addition, the LSBRP provides an economic opportunity from which local small business can benefit. This investment in the local economy is an ongoing need for every small business struggling to get a foothold in the marketplace and an equally ongoing benefit to the County.



## Background

The accomplishments outlined in this report result from of several initiatives to stimulate economic growth through local contracting. In FY09 a partial governmental reorganization was implemented creating the Department of General Services and the Office of Business Relations and Compliance. The County Executive and County Council enacted new legislation and Executive Regulations to expand the County's ability to increase contracting with local businesses:

1. Local Small Business Reserve Bill #3-09 (April 30, 2009) -- Established the DGS Director as the evaluator of a business's capacity to contractually perform
2. County Executive Regulation #2-09 (April 28, 2009) -- Doubled the earnings and employee thresholds for small businesses
3. Contracts & Procurement Amendments Bill 45-09 (April 1, 2010) -- Made it easier for small businesses to compete for contracts
4. County Executive Regulation #19-09AM (March 23, 2010) -- Revised Procurement Regulations

In FY09, in the wake of the economic downturn, the LSBRP Bill was directed at stimulating the local economy and was made a part of the County Executive's "Eleven Point Package to Aid Businesses Caught in the Recession."

## Eligibility Requirements

Montgomery County actively seeks local businesses to compete for contracting opportunities with the County Government through the Local Small Business Reserve Program. The County's commitment to maintain a viable and business friendly environment is clearly demonstrated through aggressive engagement and recruiting of eligible businesses and legislation that requires a minimum of 20 percent of eligible purchases of goods, services and construction by the government to be made with local small business. Businesses may participate in the program if they are independently owned, have an economic operational base in Montgomery County, and meet the following sales or employee thresholds:

Business Type	Employee Limit		Prior Three Year's Avg. Sales	Compliance Requirements
Retail	30	OR	\$5 million	MFD*
Wholesale	30		\$5 million	MFD
Service	50		\$5 million	Living Wage, MFD
Construction	50		\$14 million	Prevailing Wage
Manufacturing	40		\$14 million	MFD

\* Minority, Female, Disabled persons owned business program

## FY13 Accomplishments

The FY13 report demonstrates that the Program continues to gain momentum, showing growth in all three performance indicators (solicitations issued, contracts awarded, and dollars spent). This success is attributed to more awareness of the program in the local business community, increased outreach efforts to local business organizations, and more cooperation from County departments. Major accomplishments in FY13 include:

- Bill 22-12, Local Small Business Reserve Program - Sunset Repeal was approved by the Council on Tuesday, October 16, 2012
- Unbundled and reserved high dollar value contracts under the LSBRP. Examples are: reserved one out of four zones in the Custodial Services Contract under LSBRP; reserved the Office Supplies Contract under the LSBRP
- The Department of General Services was recognized by the Montgomery County Chamber of Commerce as the "MCCC 2012 Public Sector Chamber Partner of the Year" at its December, 2012 annual awards banquet
- Reached 24.5% local spending mandate for County-wide procurements
- Exceeded or met the 20% spending goal across 22 county departments

## Continued Innovative Practices

Among local municipalities, Montgomery County's Local Small Business Reserve Program continues to be a model of legislation, operation and outreach efforts to local small businesses. Innovative practices used to implement the LSBRP law include:

- Worked with OHR and Procurement to add a module in the County's Contractor Administrator training course to cover LSBRP, MFD and wage compliance programs.
- Initiated series of "Open House" industry-specific events to help department users and vendors to meet and connect.
- Distributed weekly newsletters to local small businesses to advertise active solicitations, upcoming contracting opportunities and networking events.
- Increased participation in industry association meetings and chamber matchmaking and networking sessions to promote the LSBRP program and making the connection.
- Improved intranet functionality to reduce paper work for Contract Administrators and Procurement Specialists.
- Improved on-line forms and reporting tools for county departments. The result is increased productivity and reduced response time to exemption requests and reporting needs.
- Worked with the DED's new "Small Business Navigator" position to provide more extensive outreach and assistance to the business community.






## Marketing and Outreach

DGS' Office of Business Relations and Compliance continues to host and participate in outreach events that in FY13 expanded to include more county departments and other Montgomery County public agencies. These events equip businesses to be more competitive through knowledge of public procurement law and procedure, familiarity with criteria considered by the County when awarding contracts, improved proposal writing, obtaining insurance and bonding, and other knowledge and skills businesses need to perform under a public contract.

### OBRC hosted events for LSBRP vendors

- July 25, 2012 — Silver Spring Library — Meet the prime event
- October 3, 2012 — Montgomery County / Associated Builders & Contractors Meeting
- Feb 27, 2012 — OBRC outreach event — MC's LSBRP Program
- June 3, 2013 — Montgomery County IT Business Open House



**IT Open House for  
Montgomery County IT vendors**

**When:** June 3, 2013 1:00 pm to 3:00 pm

**Location:** Montgomery County Executive Office Building Auditorium  
101 Monroe St. Rockville, MD 20850

**Registration:** No registration is required, this event is free

Calling for Montgomery County IT vendors! Come and meet with contract administrators and decision makers on purchasing IT products and services. Explore possible opportunities for doing business in the IT field with Montgomery County departments and agencies.

**Presenting Participants:**

Montgomery County Department of Technology Services

- Cable Office
- Networking and Telecommunication
- IT Professional Services
- IT Commodities

Montgomery County Department of Liquor Control (IT team)  
Montgomery County Department of Transportation (IT team)  
Montgomery County Department of Health and Human Services (IT team)  
Montgomery County Department of General Services (IT procurement team and OBRC)  
Montgomery County Department of Economic Development (Small Business Development team)

Montgomery College (Procurement)  
Montgomery County Public Schools (Procurement and IT team)

**Contact:**  
Office of Business Relations and Compliance, DGS  
240-777-9913  
[obrc@montgomerycountymd.gov](mailto:obrc@montgomerycountymd.gov)



**Prime-Sub contractors Meet and Greet for  
Silver Spring Library Construction**

**When:** Wednesday, July 25th 2pm - 4pm

**Where:** Lobby Auditorium, Executive Building, 101 Monroe St. Rockville, MD

**Audience:** MFD vendors (Minority, Female, Disabled persons owned businesses)

**Potential Prime Contractors who will be presenting:**

- The Donohoe Companies, Inc.
- Clark Construction Group, LLC
- Costello Construction
- Hess Construction & Engineering Services, Inc.
- Morgan-Keller, Inc.
- Dustin Construction, Inc.
- Coakley & Williams Construction, Inc.
- Grunley Construction Co.

**Other presenting departments/agencies:**

- Division of Building Design and Construction, DGS
- Office of Special Projects, DGS
- Office of Planning & Development, DGS
- Division of Transportation Engineering, DOT
- Montgomery County Public School
- Montgomery College
- Housing Opportunity Commission
- WSSC
- MNCPPC

### Sample event newsletters

### OBRC participated business events:

- October 17, 2012 -- Baltimore County & Baltimore Metro Council "Meet the Primes"
- October 31, 2012 -- 21st Baltimore-Washington Region Government Procurement Fair
- November 8, 2012 -- Demystifying the Bonding Process
- April 19, 2013 -- 23rd Annual Government Procurement Conference
- May 17, 2013 -- Montgomery County Chamber of Commerce GovConNet Procurement Conference
- June 20, 2013 -- Minority Business Vendor Fair Trade Show
- June 27, 2013 -- Minority Business Enterprise University Conference (Participated)

## Support and Advocacy

The Office of Business Relations and Compliance has an open-door policy for businesses seeking opportunities to do business with Montgomery County government. Interested companies are welcome to schedule one-on-one appointments with OBRC staff to learn about County's contracting needs, compliance programs, and Procurement processes. OBRC also offers training on how to use online tools to find valuable contracting information, and refer these businesses to appropriate departmental contract administrators. OBRC functions as an internal advocate and liaison, connecting the local business community with county departments to facilitate information exchange and contracting resource development. OBRC sends out weekly newsletters to advertise upcoming LSBRP opportunities as well as newly posted LSBRP solicitations.



### Local Small Business Contracting Opportunity

Solicitation Number: [1026592](#) - Development of Brand and Implementation Plan for Montgomery County's Workforce System and Workforce Investment Board

Montgomery County Government through the Office of Procurement has issued an LSBRP solicitation for Development of Brand and Implementation Plan for Montgomery County's Workforce System and Workforce Investment Board. The closing date for this solicitation is **February 8, 2013 at 3:00 pm**.

Please contact [Gave Barksdale](#) (240-777-2049) with questions or to obtain a copy of the informal solicitation.

#### Scope of Work

1. Review existing branding and messaging materials and campaigns (current state assessment). Determine how branding and messaging will be integrated with the new MontgomeryWorks website.
2. Stakeholder interviews – Conduct interviews with various system stakeholders, business and job seeker customers and potential customers to evaluate market perceptions, communications needs and resource recommendations. Prepare report summarizing the interviews and conclusions as guidance for development of the branding and messaging. Provide report to DWS and WIB committee(s).
3. Branding/Messaging Recommendations – Identify brand objectives, global messaging theme, and brand narrative to guide development of a logo, tagline and marketing messaging for the website. Include relevant terms and initial tagline themes for WIB feedback.
4. Tagline Development – Propose taglines and consult with DWS and WIB to identify a final tagline for use on the website and related marketing materials. WIB will approve the final tagline.
5. Logo Development – Draft at least 3 proposed logo designs and consult with



### Upcoming LSBRP Opportunities

The following contracts are about to expire and when re-advertised the County will reserve these opportunities under the LSBRP program. The solicitation will be posted within a few weeks, please visit the solicitation page ([current opportunities](#)) on a daily basis so that you don't miss the opportunity.

1. Police: Software Case Management System for Animal Control and Animal Shelter Records Management (No current contract)
2. DOT: Furnishing and Installation of Street Name and Traffic Sign Assemblies ([Similar to Contract: 0506501079AA](#))
3. REC: Trophies, Awards, Plaques, Ribbons and Engraving ([Similar to Contract 1003158](#))
4. DOT: Tree Planting Services ([Similar to Contract 0506020055AB](#))

Please note that this LSBRP newsletter is not a confirmation of your company's LSBRP status. The newsletter is a courtesy notification for all vendors that have expressed interest in our LSBRP program and anyone can subscribe to this newsletter service. To ensure your LSBRP status is up-to-date, please go to County's Central Vendor Registration System (<http://www.mcproc.net>) and update your profile. Thank you very much for your support!

Office of Business Relations and Compliance  
Department of General Services  
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## FY10 – FY13 Comparative Program Measures

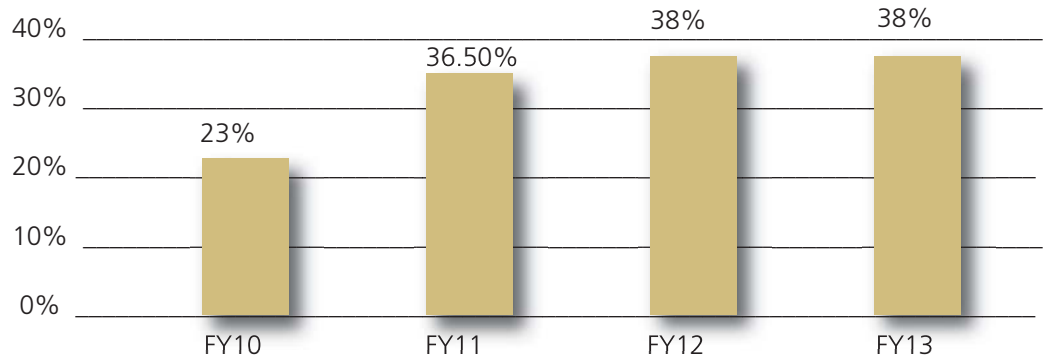
### 1. Contracts Awarded to LSBRP

Contracts executed in FY13 totaled \$361.75 million. Of the \$118 million in eligible contract awards, over \$45 million, or 38%, was awarded to Local Small Businesses even though overall contract award dollars was reduced significantly.

**Table 1: 4 year comparison of contract dollar values awarded to LSBRP companies**

In \$ Values of Contracts	FY10	FY11	FY12	FY13
<b>Total Award</b>	\$ 526,869,948	\$ 581,951,169	\$ 502,679,749	\$ 361,752,610
<b>Eligible to LSBRP</b>	\$ 295,663,286	\$ 159,134,688	\$ 219,686,672	\$ 118,233,394
<b>Award to LSBRP</b>	\$ 67,511,567	\$ 58,178,516	\$ 83,652,699	\$ 45,123,467
<b>Percent eligible awarded</b>	<b>23%</b>	<b>36.5%</b>	<b>38%</b>	<b>38%</b>

### Percentage on LSBRP Contract Awards



**TABLE 2 - Major contracts (over \$100,000) awarded in FY13 to LSBRP**

Dept	Description	Vendor	Amount
COR	On-Site Psychiatric Evaluation And Mental Health Treatment Services For Inmates & Residents Of Montgomery County Department Of Correction & Rehabilitation	ARAM F MOKHTARI M.D.	\$1,750,000
DEP	Construction Services For Storm Water Management, Low Impact Development (LID) Environmental Site Design (ESD) And Stream Restoration Projects	Highway & Safety Services, Inc.	\$1,600,000
DEP	Landfill Maintenance Services For The Gude And Oaks Landfills: Property Maintenance; Security; And Mowing	C & C Management Group, Ltd.	\$450,000
DGS	Landscaping and Grounds Maintenance Services - Groups 2, 2A, And 3	CER Lawns & Landscaping, Inc.	\$1,799,334
DGS	Termite And Pest Management Services	Innovative Pest Management, Inc.	\$1,750,000
DGS	Construction Services for Various Facility Projects, Job Order Contract (JOC)	CDCI, Inc.	\$2,000,000
DGS	Construction Services for Various Facility Projects, Job Order Contract (JOC)	Colossal Contractors, Inc.	\$666,667
DGS	Construction Services for Various Facility Projects, Job Order Contract (JOC)	Banneker Ventures, Inc.	\$666,666
DGS	Snow Removal At The Silver Spring Transit Center Interim Operations Site	Highway & Safety Services, Inc.	\$240,200
DGS	Elevator Renovation For The Silver Spring Health Center	Nichols Contracting, Inc.	\$200,764
DOT	Time and Material Electrical Services	Electric Advantage, Inc.	\$3,250,000
DOT	Security Guard Services For The Parking Lot District	Universal Security LLC	\$1,577,889
DOT	Public Works Support Staff For Highway Services	O'Connell & Lawrence, Inc.	\$1,305,574
DOT	Ride On Bus Shelter Maintenance	Positive General Contractors, Inc.	\$150,000
DTS	Cable Television Producer Services	Ronald J. Gregory (G2 Media)	\$100,000
FRS	Uniform Apparel Imprinting And Embroidery	Personalized Classics, Inc.	\$200,000
LIQ	Design/Install Conveyor System And Racks	QST, Inc.	\$3,515,554
REC	Screen Printed Sports Uniform T-Shirts And Athletic Apparel - Groups 1, 2,3,4,5,6,8	Personalized Classics, Inc.	\$691,991

## 2. Solicitations Issued in FY13: (Based on Contract Execution Date)

### a. Number of Formal and Informal Solicitations Reserved for LSBRP

	FY10	FY11	FY12	FY13
Formal Solicitation	35	51	41	32
Informal Solicitation	13	22	28	21
<b>Total</b>	<b>48</b>	<b>73</b>	<b>69</b>	<b>53</b>

### b. Number of Issued Formal and Informal LSBRP Solicitations subsequently **Canceled\***

	FY10	FY11	FY12	FY13
Formal Solicitation	19	13	7	6
Informal Solicitation	0	0	0	1
<b>Total</b>	<b>19</b>	<b>13</b>	<b>7</b>	<b>7</b>

\* Solicitations may be cancelled due to:

- (1) lack of response,
- (2) offerors responding are subsequently found to be unqualified to perform the work,
- (3) offerors are found to not meet the eligibility requirements for LSBRP,
- (4) offers are withdrawn leaving no eligible LSBRP bidders, or
- (5) issuing department cancels due to a lack of funds or the termination of the original requirement.

### c. Number of Formal and Informal Solicitations **Reserved and Awarded** to LSBRP\*\*

	FY10	FY11	FY12	FY13
Formal Solicitation	16	38	34	26
Informal Solicitation	13	22	28	20
<b>Total</b>	<b>29</b>	<b>60</b>	<b>62</b>	<b>46</b>

\*\* One solicitation may generate multiple contracts; and there may be up to 6 months between the date a solicitation is issued and the date a contract is executed.

Total number of solicitation issued by the Office of Procurement went down from 207 in FY12 to 189 in FY13. A corresponding lower number of solicitations was issued under the LSBRP.

Having to cancel and re-issue a solicitation when receiving no responsive bids for the LSBRP solicitations is time and labor consuming. In FY 13, OBRC increased efforts to identify pools of qualified prospective bidders before LSBRP solicitations were issued. Further, OBRC worked closely with county departments submitting exemption requests to determine the basis for each request; advertised upcoming LSBRP opportunities well in advance of the solicitation; issued recruitment newsletters and notices of each new LSBRP opportunity and made personal contact through phone calls. Because of these efforts, in FY13 the number of solicitation cancellations due to lack of LSBRP competition was cut in half from prior years (see item b above).



## Procurement Spending in FY13:

This section of the Report deals with payments made to local small businesses, which differs from earlier sections that reference contract awards that may cover multiple years. OBRC tracks both categories, recognizing that payments for work performed may lag behind contract awards by 6 to 12 months. The following performance indicators reflect both transaction activity as well as payments to businesses.

**Table 3: 4 year comparison on Eligible LSBRP Expenditure**

Procurement Expenditures, FY10-FY13								
	FY10		FY11		FY12		FY13	
Exemption Categories \$973.96	Million \$	%	Million \$	%	Million \$	%	Million \$	%
<b>Total Procurement Dollars</b>	\$973.96		\$1,050.69		\$845.27		\$974.13	
<b>Eligible for LSBRP Procurement</b>	\$85.8	8.8%	\$39.48	3.7%	\$125.07	14.8%	\$215.12	22.1%
<b>Procurement Expenditure to LSBRP</b>	\$12.7	14.8%	\$ 8.0	20.3%	\$ 29.65	23.7%	\$ 52.63	24.5%

The “eligible” spending against which annual performance is measured is based on the portion of solicitations awarded to LSBRP vendors out of all eligible solicitations, the balance of which are considered open to non-LSBRP businesses.

### A closer look at Exempted LSBRP spending

Highlighted in Table 5 are categories significantly impacting the overall availability of annual contracting dollars to local small businesses, or any other businesses:

- (1) Pre-existing Contracts and
- (2) Procurements exceeding \$10 million.

1. **Pre-existing Contracts** (highlighted in YELLOW in Table 4) - Many County contracts are for terms that exceed a single 12-month period, often extending for three to five years. Therefore, a contract is counted only once in the year of the award, and is not counted in the following years. In FY13 this “pre-existing contract” category equals \$453 million, accounting for 63% of contract expenditures.

2. **Procurements exceeding \$10 million** (highlighted in GRAY in Table 4) – Legislation creating the LSBRP initiative requires that all contracts valued under \$10 million will be reserved for competition among local small businesses unless specific exemption criteria apply. In FY13 the County awarded \$210 million in contracts valued over \$10 million, accounting for almost 29% of all contracting dollars awarded in FY13.

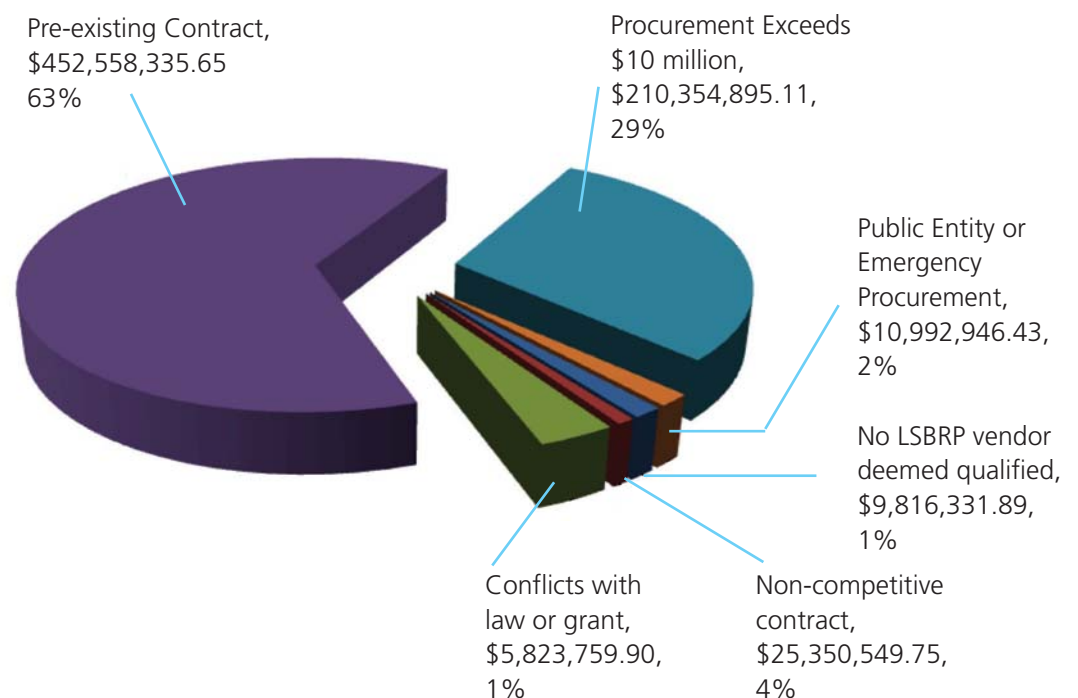
These two categories combined for \$662.91 million, or 92.73% of all LSBRP exemptions in FY13. This spending distribution is further illustrated in the following tables.

Besides the two categories of Pre-existing Contracts and Procurements Exceeding \$10 million, another \$42 million in exemptions (highlighted in GREEN in Table 4) were for contracts for which no competition was possible since the contracts were with; (a) other public entities, (b) specific companies because of grant requirements, or (c) were non-competitive awards such as contracts with an Original Equipment Manufacturers, sole licensed service providers, or other non-competitive basis approved by the County's Contract Review Committee.

**Table 4: 4 year comparison on LSBRP Exemptions**

	FY10		FY11		FY12		FY13	
Exemption Categories	\$ (m)	%	\$ (m)	%	\$ (m)	%	\$ (m)	%
Chief Administrative Officer Waiver	\$ 3.90	0.46%	\$ 0.30	0.03%	\$ 0.00	0%	\$ 0.00	0%
Conflicts with law or grant	\$ 25.20	2.95%	\$ 13.00	1.34%	\$ 11.37	1.68%	\$ 5.82	0.81%
Public or Emergency Procurement	\$ 45.70	5.35%	\$ 43.50	4.47%	\$ 6.12	0.90%	\$ 10.99	1.54%
Non-competitive contract	\$100.50	11.77%	\$ 22.30	2.29%	\$ 12.75	1.88%	\$ 25.35	3.55%
Pre-existing Contract	\$493.60	57.81%	\$307.80	31.66%	\$465.25	68.71%	\$452.56	63.30%
Procurement Exceeds \$10 million	\$ 73.80	8.64%	\$561.90	57.80%	\$163.39	24.13%	\$210.35	29.42%
No LSBRP vendor deemed qualified	\$111.20	13.02%	\$ 23.40	2.41%	\$ 18.29	2.70%	\$ 9.82	1.37%
<b>Total Procurement exempted from LSBRP</b>	<b>\$853.90</b>	<b>100%</b>	<b>\$972.20</b>	<b>100%</b>	<b>\$677.17</b>	<b>100%</b>	<b>\$714.90</b>	<b>100%</b>

In FY13, continued enhancements in the technology as well as the implementation of the “Upcoming LSBRP Opportunities” newsletter further decreased the number of exemptions under the “No LSBRP vendor deemed qualified” exemption category. When a department submits a request with “No LSBRP vendor deemed qualified,” OBRC staff works closely with the Contract Administrator to review the basis for this request and confirms the presence or absence of qualified competition. OBRC also works with departments well in advance of requirements to pro-actively advertise LSBRP solicitations anticipated to be issued in the near future. Staff conducts one-on-one outreach through phone calls and e-mail notifications to registered businesses as well as businesses identified by the various chambers of commerce, Economic Development records, and Internet searches in an effort to encourage businesses’ participation in the procurement. As a result of these efforts exemptions allowed under this category dropped from a high of over \$111.2 million (13.02%) in FY10 to \$9.82 million (1.37%) in FY13.



**Figure 1: FY13 Exempted Expenditure breakdown**

## Procurement Expenditures Summary

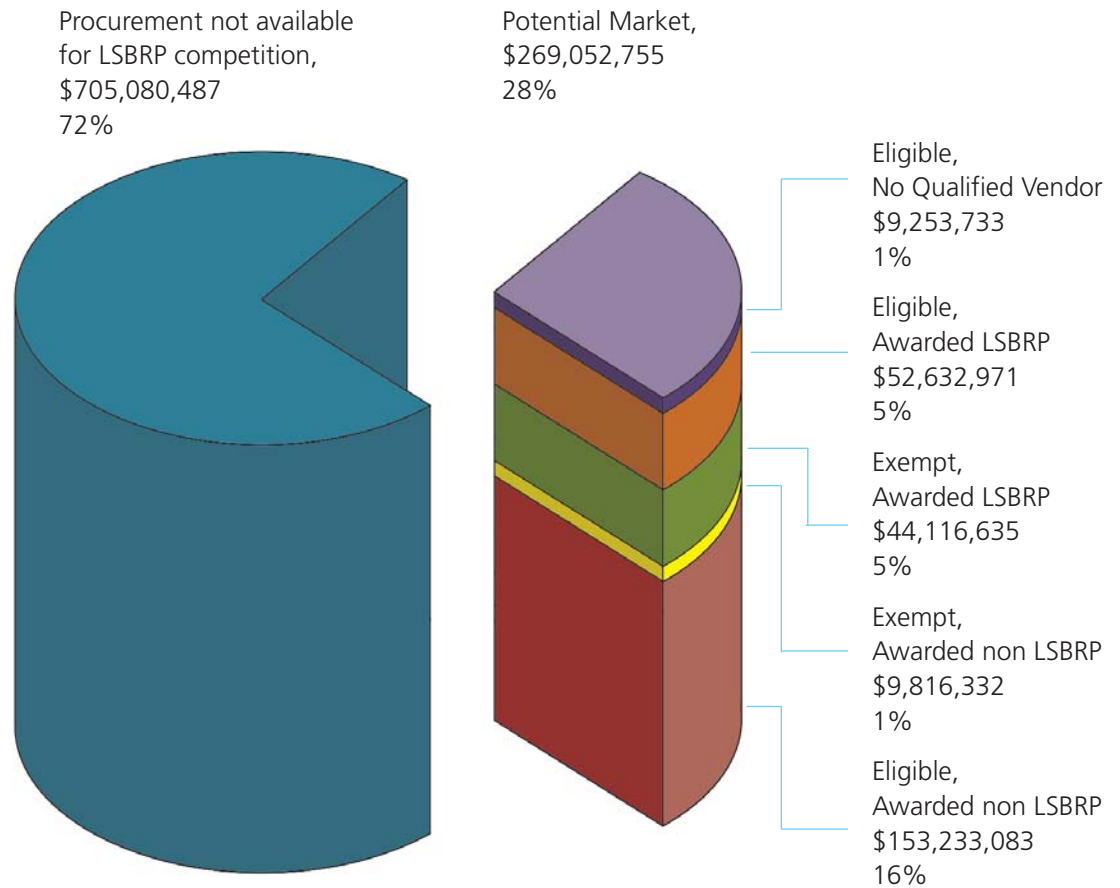
A total of \$44.1 million of the County's FY13 competitive contract opportunities (highlighted in YELLOW in Table 6) could be considered available for LSBRP competition. These are opportunities in which it would be reasonably assumed that sufficient competition exists to support a competitive solicitation under the LSBRP as program enrollment increases and resources can be further devoted to identifying companies qualified to meet County requirements.

**Table 5: FY13 Procurement Expenditures Summary**

Categories			# of PO	\$ amount value	Sub Total	Exemption Y/N	Awarded LSBRP	Potential Market
Not Exempted	Non-exempt and Awarded non LSBRP	No LSBRP vendor deemed qualified by Using Department	6	\$ 9,253,733	\$162,486,816	\$215,119,788		\$269,052,755
		Non exempt and Awarded non LSBRP	1356	\$153,233,083				
	Non-exempt and Awarded LSBRP	Under \$5,000 solicitation, awarded LSBRP	2	\$ 22,273	\$ 52,632,971		\$96,749,607	
		Non-exempt but Awarded LSBRP	386	\$ 31,440,519				
		Advertised LSBRP Solicitation and Awarded LSBRP	346	\$ 21,170,180				
Exempted from LSBRP	Exempt and Awarded LSBRP	N/A	526	\$ 44,116,635	\$44,116,635	\$759,013,454		\$705,080,487
	Exempt and Awarded non LSBRP	No LSBRP vendor deemed qualified	647	\$ 9,816,332	\$714,896,819			
		Conflicts with law or grant	40	\$ 5,823,760				
		Non-competitive contract	341	\$ 25,350,550				
		Pre-existing Contract	1931	\$452,558,336				
		Procurement Exceeds \$10 million	119	\$210,354,895				
		Public Entity or Emergency Procurement	98	\$ 10,992,946				
	Total			\$974,133,242				

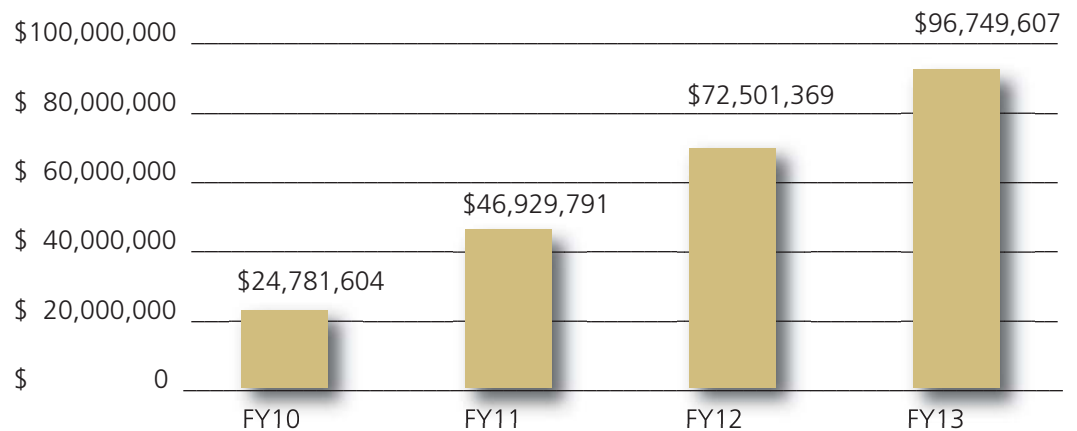


## Potential LSBRP Market Place



**Figure 2: Procurement expenditure available to LSBRP competition**

As illustrated in Figure 2, of the \$269 million potential LSBRP opportunities, \$96.7 million, or 36%, was spent to local small businesses.



**Figure 3: 4 year comparison on Procurement expenditures to LSBRP vendors**

## LSBRP Expenditure by Department

**Table 6: Department spending towards LSBRP vendors**

Department	LSBRP Spending	% to Eligible
Board of Investment Trustees	\$759,267	9
Circuit Court	\$168,166	100
Community Engagement Cluster	\$137,985	30
Community Use of Public Facilities	\$40,753	93
Department of Correction and Rehabilitation	\$698,093	29
County Attorney's Office	\$4,354	100
County Council	\$171,547	81
Department of Economic Development	\$183,987	65
Department of Homeland Security	\$252,044	33
Department of Environmental Protection	\$5,339,686	27
Department of Finance	\$2,239,789	90
Department of Fire & Rescue Services	\$1,147,503	27
Department of General Services	\$45,929,841	52
Department of Health & Human Services	\$6,316,119	27
Department of Housing & Community Affairs	\$1,569,958	72
Office of Human Resources	\$44,958	9
Department of Liquor Control	\$5,024,836	90
Office of Management & Budget	\$25,400	100
Department of Permitting Services	\$64,696	10
Department of Police	\$466,249	12
Public Information Office	\$466,228	100
Department of Public Libraries	\$33,140	57
Department of Recreation	\$650,550	51
Sheriff's Office	\$124,000	65
Department of Technology Services	\$4,454,423	79
Department of Transportation	\$20,402,518	25

Departments Compliance with LSBRP Requirements, FY10 - FY13

**Table 7: Number of Department that meet/do not meet the 20% goal**

	FY10	FY11	FY12	FY13
# of Departments that meet requirement	16	21	23	22
# of Departments that do not meet requirement	6	3	6	4
<b>Total</b>	<b>22</b>	<b>24</b>	<b>29</b>	<b>26</b>



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